

ACCEPTED BY THE BOARD 6/2/16

MINUTES
EDC REGULAR MEETING
APRIL 28, 2016

PRESENT

Joanne Minieri, Chair
Grant Hendricks, Vice Chairman
Peter Zarcone, Treasurer
Anthony Giordano, Secretary
Gregory T. Casamento, Member
Sondra Cochran, Member
Kevin Harvey, Member

EXCUSED ABSENCE

None

ALSO PRESENT

Anthony J. Catapano, Deputy Executive Director
Kelly Morris, Suffolk County IDA Deputy Executive Director
John McNally, Suffolk County IDA Associate Director Marketing & Outreach
Daryl Leonette, Suffolk County IDA Executive Assistant
Regina Halliday, Suffolk County IDA Bookkeeper
William Dudine, Esq., Winston & Strawn LLP
M. Cornelia Cahill, Partner, Barclay Damon LLP
Barry Carrigan, Esq., Nixon Peabody LLP
Andrew Komaromi, Esq., Harris Beach LLP
David Chauvin, Zimmerman/Edelson, Inc.
James Madore, Reporter, Newsday
Theresa Ward, Suffolk County Department of Economic Development & Planning
Regina Zarra, Suffolk County Department of Economic Development & Planning
Kara Hahn, Suffolk County Legislator
Robert Trotta, Suffolk County Legislator
Bridget Fleming, Suffolk County Legislator
Kate M. Browning, Suffolk County Legislator
Robert Calarco, Suffolk County Legislator
William J. Lindsay III, Suffolk County Legislator
Monica R. Martinez, Suffolk County Legislator
Christine DeLisi, Aide to Presiding Officer DuWayne Gregory
Kimberly Scalice, Aide to Legislator Cilmi
Kathleen McGullam, Suffolk County Department of Labor

The Regular Meeting of the Suffolk County Economic Development Corporation held in Media Room #182 in the lower level of the H. Lee Dennison Building, 100 Veterans Memorial Highway, Hauppauge, NY was called to order at 12:35 p.m.

PUBLIC COMMENT

Ms. Minieri opened the public comment portion of the Suffolk County Economic Development Corporation.

Robert Trotta stated he is not in favor of \$62 million being given to Siena. He stated there are blow up rats at the project site and he is against wealthy people buying property and getting benefits and raising taxes for the tax payers. Mr. Trotta indicated he is dumbfounded that taxpayers are subsidizing out of state workers. Mr. Trotta stated the Agency should have a contract to hire local people. Mr. Trotta stated this borders on absurd that this is happening. Ms. Minieri thanked Mr. Trotta for his comments.

Kara Hahn, Suffolk County Legislator, stated that the Presiding Officer of the Suffolk County Legislator was here, he had to leave. Ms. Hahn stated I am here to question why people are being hired from out of state for a project in Suffolk County. Ms. Hahn stated it is important that incentives and or cuts are done so to improve the job market locally.

Bridget Fleming, Suffolk County Legislator, stated this is a region-wide serious concern and the point of the IDA is to create local jobs. Ms. Fleming stated if we are offering incentives, it should be for good jobs isn't it the point of the IDA.

Robert Calarco, Suffolk County Legislator, stated housing for seniors is in high demand and the Agency should be mindful of construction jobs and they should be Suffolk County employees. Mr. Calarco stated the IDA should have a policy ensuring local labor is used. Mr. Calarco thanked the Board and said please keep this in mind moving forward.

Kate M. Browning, Suffolk County Legislator, stated the Legislature just introduced new legislation to change apprenticeship. Ms. Browning asked if the IDA has some of the same policies as the Legislature. Ms. Browning stated the Legislature can't impose on the IDA although the IDA should take a look at what the Legislature is doing and consider adopting it. Mr. Wexler responded this issue comes up often out-of-state labor, we understand where it is coming from. Mr. Wexler stated it is against the U.S. Constitution privilege and immunity law and endorsement law, the Constitution prevents setting up barriers. The Nassau IDA and NYC IDA do not do this. Ms. Browning stated the IDA has the ability to not give those tax breaks and the breaks can be an incentive. Mr. Wexler stated the Agency has a Suffolk First policy. Mr. Wexler indicated if the Constitution prohibits it, you cannot give it, it can't be an extortionist policy you can't say you cannot get benefits unless. Ms. Browning stated the Legislature has policies that support Suffolk County residents. Mr. Zarcone stated there are (8) IDA's. Ms. Minieri stated this is the EDC hearing not IDA this can be discussed in the IDA portion of the Meeting. Mr. Zarcone indicated the Hempstead IDA's policy states they employ 90% of the workers for the project from within Nassau or Suffolk Counties; and purchase 90%

of the building materials from within the bi-County region. Mr. Zarcone stated he would like to see Suffolk County better protected. Ms. Browning suggested that the Suffolk County IDA adopt the same policy.

William J. Lindsay, III, Suffolk County Legislature, stated he is supporting his colleagues. Mr. Lindsay stated he is here in support of his colleagues on this matter.

John Shepard, Building & Construction Trades Council of Nassau & Suffolk Counties, stated his members ask him why they are not working. Mr. Shepard indicated a license is needed to do commercial painting in Suffolk County. Mr. Shepard asked if anyone has checked to see if the painters on the Siena project are licensed, this can be fixed. Mr. Harvey stated that he believes the electrician on the project was not licensed and was cited and there was a hearing, licensing should apply to electricians. Mr. Shepard stated how come a worker from Ohio is working here this should be a Suffolk County worker. Mr. Giordano stated he is a Smithtown resident and agrees that Labor should stay on Long Island and hopes that the Board agrees.

Monica R. Martinez, Suffolk County Legislator, commended the IDA for bringing business to Suffolk County. Ms. Martinez stated it is important to keep business here in Suffolk County and she hopes that the Agency will take all of the recommendations to heart. Ms. Martinez stated we need to adhere to laws we are living in difficult times, please support our labor.

Mario Mateo, Local Union 200, asked was the \$62 million money or tax abatements for Siena. Ms. Minieri indicated Catholic Health Services wanted to sell the property and the Suffolk County Economic Development Corporation issued a tax-exempt bond in order to keep the facility affordable housing. Mr. Mateo asked are there prevailing wage laws on this project and is there any enforcement of it. Ms. Minieri indicated that she believes the entity is in compliance. Mr. Wexler stated the County Attorney's office should be investigating. Mr. Mateo indicated that plumbers are not getting prevailing wage. Mr. Mateo suggested that the Agency get the proper agency to check this out. Mr. Mateo stated there should be a sign in sheet for contractors. Mr. Mateo stated construction is the backbone of the economy, and union labor pays into the system. He stated we need local jobs for local people.

Robert English, Executive Board Member, Laborers Local 66 indicated that he was a former Board Member of the Nassau County IDA and he is not here to beat a dead horse. Mr. English asked that the Long Island First policy be read aloud. Mr. Wexler read the Long Island First policy. Mr. English stated they are not hiring local guys and not giving us the opportunity to work on this project. Mr. English suggested their benefits be rescinded is it not the job of the Suffolk County IDA to look out for Suffolk County residents. The Long Island First policy needs to be enforced. They are hiring out-of-state workers, not employing Suffolk County residents. Mr. English stated this is an embarrassment to Suffolk County the IDA and Steven Bellone. This company is the number two Section 8 housing company on Long Island and they are not hiring Suffolk County people. Mr. English stated that he understands that the CEO of the company said he is going to foreclose on the property if his benefits are rescinded. Mr. Wexler suggested that he report this to the district attorney's office. Mr.

English stated you have to uphold to your own policy. Mr. Komaromi indicated that he does not believe they are in default based on the review of the documents they are in compliance.

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Ms. Cochran stated we have done nothing wrong, we are hearing about this today give us a chance. Mr. English stated he filed a letter of complaint today and claims that GHC felt they didn't need to answer anymore. Mr. English stated he would like to know how they are not in violation. Ms. Minieri stated it's a best efforts policy, based on our research they are in compliance.

After further discussion and;

Upon a motion by Mr. Zarcone, seconded by Ms. Minieri, it was:

RESOLVED, to adopt the public comments for the Suffolk County Economic Development Corporation and the Suffolk County Industrial Development Agency.

Unanimously carried 7/0.

Bridget Fleming, Suffolk County Legislator, stated there is an exemption to the dormant commerce clause. Mr. Wexler responded the Agency is not the market participant and argued that. Ms. Fleming stated that our economy remains healthy because we are supporting local jobs and believe the U.S. Constitution will uphold.

Mr. Casamento stated while the Board seeks advice from council he understands the dormant clause and will look into this issue very closely especially considering the time and effort everyone put in coming today with comments. We will assure you that we will examine documents and make sure that if there were any issues we will fully investigate any wrongdoings. With all respect to William Wexler his pronouncement on this issue isn't final.

Ms. Minieri indicated the Long Island First policy was adopted by the Board in 2012 and the Prevailing Wage policy was adopted in 2006.

Mr. Harvey stated if we do find there is any neglect it should be addressed by the Board and Ms. Minieri agreed. Mr. Zarcone stated there were four employees from Ohio that worked one hour on a Thursday and Friday and this does not make any sense. These were electrical contractors and it was picked up that they were not licensed.

After further discussion and;

Upon a motion by Ms. Minieri, seconded by Mr. Hendricks, it was:

RESOLVED, to end the Public Comment portion of the meeting of the Suffolk County Economic Development Corporation.

Unanimously carried 7/0.

Ms. Minieri stated Theresa Ward will help move the Memorandum of Understanding (MOU) forward and we will submit it to the board for consideration and hopefully vote on this at the next board meeting.

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Minutes

The Minutes of the March 24, 2016 Economic Development Corporation Meeting were accepted.

There being no further business and;

Upon a motion by Ms. Minieri, seconded by Mr. Giordano, it was:

RESOLVED, to adjourn the Regular Meeting of the Suffolk County Economic Development Corporation.

Unanimously carried 7/0.

The Meeting adjourned at 1:25 p.m.

The next Meeting of the Suffolk County Economic Development Corporation is tentatively scheduled for May 24, 2016.